

B26 (Official Form 26) (12/08)

United States Bankruptcy Court
District of Minnesota

In re The Archdiocese of Saint Paul and Minneapolis,

Case No. 15-30125

Debtor

Chapter 11

**PERIODIC REPORT REGARDING VALUE, OPERATIONS AND PROFITABILITY OF
ENTITIES IN WHICH THE ESTATE OF [NAME OF DEBTOR]
HOLDS A SUBSTANTIAL OR CONTROLLING INTEREST**

This is the report as of February 17, 2015 on the value, operations and profitability of those entities in which the estate holds a substantial or controlling interest, as required by Bankruptcy Rule 2015.3. The estate of the Archdiocese of Saint Paul and Minneapolis holds a substantial or controlling interest in the following entities:

Name of Entity	Interest of the Estate	Tab #
Ausmar Development Co., LLC	25%	1

This periodic report (the "Periodic Report") contains separate reports ("Entity Reports") on the value, operations, and profitability of each entity listed above.

Each Entity Report shall consist of three exhibits. Exhibit A contains a valuation estimate for the entity as of a date not more than two years prior to the date of this report. It also contains a description of the valuation method used. Exhibit B contains a balance sheet, a statement of income (loss), a statement of cash flows, and a statement of changes in shareholders' or partners' equity (deficit) for the period covered by the Entity Report, along with summarized footnotes. Exhibit C contains a description of the entity's business operations.

THIS REPORT MUST BE SIGNED BY A REPRESENTATIVE OF THE TRUSTEE OR DEBTOR IN POSSESSION.

The undersigned, having reviewed the above listing of entities in which the estate of the Archdiocese of Saint Paul and Minneapolis holds a substantial or controlling interest, and being familiar with the Debtor's financial affairs, verifies under the penalty of perjury that the listing is complete, accurate and truthful to the best of his/her knowledge.

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Date: 2/17/15

A handwritten signature in black ink, appearing to read 'T. Mertens', is written over a horizontal line.

Thomas J. Mertens
Chief Financial Officer

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Exhibit A
Valuation Estimate for Ausmar Development Co., LLC

Ausmar Development Co, LLC (“Ausmar”) was formed by four family members who inherited certain real property in Chanhassen, Minnesota. The initial partners were four siblings. When one of the siblings died, he included the Archdiocese as a beneficiary in his will, which received a 25% interest in Ausmar as a result. Prior to the Petition Date, Ausmar subdivided the Chanhassen property and marketed the lots for sale. All but two lots have been sold. The two remaining lots are contiguous to St. Hubert Catholic Community Church. As the lots have been sold and developed, property taxes have risen dramatically on the two remaining lots.

According to current Carver County property records information, Outlot A, parcel ID number 258440020 (parcel 1) has an estimated 2014 market value of \$853,300.00, and Outlot K, parcel ID number 258680130 (parcel 2) has an estimated 2014 market value of \$632,700.00. The Archdiocese makes no statement or admission as to the actual value of such parcels.

The Archdiocese’s interest in Ausmar is 25%. Based on the estimated market value of the parcels identified above, the value of the Archdiocese’s interest is \$371,500.00. The Archdiocese assumes that any cash on hand held by Ausmar would be used for closing expenses and real estate taxes due upon sale of any property.

The sources of the information provided in this report include publicly-available property tax information from Carver County, Minnesota; the most-recently filed U.S. Return of Partnership Income by Ausmar; and the testamentary instrument providing the bequest to the Archdiocese of its interest in Ausmar. Copies of these documents have been provided to the office of the United States Trustee for the District of Minnesota. Interested parties may contact counsel for the debtor for further information.

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Exhibit B
Financial Statements for Ausmar Development Co., LLC

Not applicable.

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Exhibit C

Description of Operations for Ausmar Development Co., LLC

The Archdiocese holds a 25% interest in Ausmar. The Archdiocese does not control or take a role in Ausmar's operations.

Ausmar owns two parcels of real property identified above. Ausmar may intend to market such parcels for sale. Ausmar does not conduct any other business.

The sources of the information provided in this report include publicly-available property tax information from Carver County, Minnesota; the most-recently filed U.S. Return of Partnership Income by Ausmar; and the testamentary instrument providing the bequest to the Archdiocese of its interest in Ausmar. Copies of these documents have been provided to the office of the United States Trustee for the District of Minnesota. Interested parties may contact counsel for the debtor for further information.